

Kentucky First Steps
Cabinet for Health Services
A Study to Compute Cost Based Rates

Karleen R. Goldhammer
SOLUTIONS
Financial and Information Systems Consultant
280 Riverside Drive
Augusta, ME 04330
Telephone:(207) 623-8994
Fax:(207) 623-9793
e-Mail:Kgoldhamm@AOL.COM

Susan D. Mackey-Andrews
SOLUTIONS
Disability Policy & Finance Consultant
20 Monument Square
Dover-Foxcroft, ME 04426
Telephone:(207) 564-8245
Fax:(207) 5647175
e-Mail: SDMAAndrews@AOL.COM

Table of Contents

<u>INTRODUCTION</u>	4
<u>METHODOLOGY</u>	4
Financial Information:	4
Billable Basis:	6
<u>KENTUCKY ACTIVITY</u>	7
<u>KENTUCKY DATA COLLECTION/INFORMATION</u>	8
Time Survey	8
Face to Face Time	8
Salary Survey	9
Cost Survey	10
Schedule C Participants	10
Benefits	11
Administrative & Support	11
<u>ANALYSIS: SERVICE ASSESSMENT</u>	12
<u>CHARACTERISTICS OF KENTUCKY'S RATE REIMBURSEMENT STRUCTURE</u>	12
<u>COST BASED RATES COMPUTATIONS</u>	13
<u>COMPARISON CHARTS</u>	18
<u>COMPARISON CHARTS</u>	18
Developmental Assistant	18
Nurse - Licensed Practical	18
Certified Occupational Therapy Asst., Physical Therapy Assistant, Speech Language Assistant	18
Developmental Interventionist, Orientation & Mobility Specialist, Social Worker, Teacher of the Visually Impaired, Teacher of the Deaf and Hard of Hearing	19
Audiologist, Dietitian, Family Therapist, Nurse, Nutritionist, Occupational Therapist, Physical Therapist, Speech-Language Pathologist	19
Physician	19
Psychologist, Psychologist-Certified	19
Assistive Technology Specialist	20
Developmental Associate	20
Respite	20
<u>METHOD FLEXIBILITY</u>	20
<u>NEXT STEPS</u>	21
<u>WORKSHEET SUMMARY</u>	22
Current Rate Structure # 1	23
Average Salaries by Practitioner from Salary Survey # 2	24
Salary.Com Data Review # 3	25
Salary Source # 4	26
<u>Appendix A - Time Survey Instrument</u>	27

<u>Appendix B Cost Survey Instrument</u>	40
<u>Appendix C - Schedule C Document</u>	65
<u>Appendix D - Corporate Capacity</u>	67

INTRODUCTION

This report is submitted to the Cabinet for Health Services as a comprehensive review of the current cost of delivering First Steps Early Intervention services in Kentucky, and transforms that cost information into the existing reimbursement structure. The Cabinet is the responsible entity for making final decisions regarding actual changes to reimbursement amounts. The Cabinet commissioned this study to provide comprehensive and factual information upon which to make decisions. To meet the objectives set forth by the Cabinet, they contracted with *SOLUTIONS*, a disability consulting collaborative based in the State of Maine¹, in July of 2001. Karleen Goldhammer serves as Lead Consultant to this project along with Susan D. Mackey Andrews as a program expert. Together with Cabinet staff, *SOLUTIONS* customized a process for Kentucky that has been successfully used over the last 5 years in more than six other states.

METHODOLOGY

The methodology to calculate a reimbursement amount consists of two fundamental components: 1) capturing total cost of service delivery and 2) defining the basis of reimbursement such as face-to-face contact, event, or a per-person. It is important to note that no revenue information is taken into account since the intent is to identify total cost. A cost survey or tax form is used to collect the information from randomly selected providers and forms total cost information. A time and effort survey is the information used to identify basis for billing (billable time) and is administered with randomly selected participants.

Financial Information:

After having conducted similar cost surveys in other states (IL, IN, MO, WV, GA, NJ) including in-depth reviews of financial information, the most significant expense category is personnel including salaries and benefits and/or contractual costs. Through the process, careful review of salary amounts has been done since they represent a significant cornerstone of the final rate amount. Support and administrative cost, as well as some volunteer activity are added to get to total cost. It is not uncommon to have definition differences regarding what is classified as administrative and what is classified as

¹ Appendix D Corporate Capacity

support. To that end, these amounts are combined for review. In constructing the survey instrument, support costs are defined as costs that do not materialize if the service is not delivered. Examples of support costs include travel to and from service site, photocopying, postage, etc. Administrative cost remains and may include accounting and finance, the organization's Executive Director and personnel, etc.

Financial information is best when it represents an entire operating year, has been audited, and is reasonably current. The timing in Kentucky allowed us to work with a fiscal year ending June 30, 2001 for most provider organizations. A survey instrument was crafted with specific instructions and relied heavily on a firm's financial records when possible. Most were not audited since the survey was conducted in August. The cost survey instrument is modeled on work done at Utah State University as a result of a two-year research grant funded by the U.S. Department of Education. An article about the methodology titled "Cost Analysis in Early Intervention" appeared in the Journal of Early Intervention, 1994 Vol. 18, No 1, 48-63. Adaptation of the model was made to more specifically meet the outcome needs of this project, and to match the EI system definition in Kentucky. The complete cost and salary survey packet including instructions are included as Appendix B to this report.

Cost survey information includes, but, is not limited to the following:

Total Cost	Equipment
Direct Service	Travel Cost
Salary & Benefits	Materials & Supplies
Consultants/Practitioners	Utilities
Support & Administration	Insurance
Facilities and Capital Improvements	Training
(Rent)	Limited In-Kind
Vehicles	Administrative Support

A salary survey was also administered with organizations participating in the cost survey. While the cost survey identifies actual payroll costs, the salary survey includes annualized wage and benefit information captured by length of employment. This information provides the current average salary range per discipline. All information is converted to 40 hours per week, 52 weeks per year (2,080 work hours) to ensure that the information

is analyzed on a consistent basis. A copy of the salary survey document is included as part of the cost survey instrument.

Billable Basis:

Most fee-for-service reimbursement systems rely on a fairly precise definition of what they will pay for. In other words, fee for service does not pay for all work time, but does pay for some specifically defined piece(s) of activity. This means that cost information must be spread over billable time so that total cost is covered. A typical definition of billable time is when a provider is engaged in face-to-face activity. The reimbursement amount must incorporate considerations for other activities that are integral to the service delivery, but do not occur in a face-to-face moment with the client. For the most part, this is also the definition used in Kentucky's existing reimbursement system. Service Coordination does allow for collateral contact on behalf of a child and family including some telephone activity and some services are event based such as primary evaluation.

A time and effort survey (Appendix A) was crafted to reflect the direct service personnel types in Kentucky and was conducted for a 2-3 week period during September 2001. The time survey asked participants to code every 15-minutes of time including information about location of service delivery when conducted in a face-to-face setting with a child and/or family. The time survey window included September 11th, which was a difficult time for all of us and certainly may have skewed the results. Many participants were contacted and asked to make a personal decision about extending the time period of the survey if they felt that their work schedule was affected. Many did that. This information forms the basis of billable time.

Billable Activity

- Face-to-face contact
- Collateral Contact including Telephone contact for Service Coordination only
- Event Based
- Intensive Clinic Evaluation
- Primary Evaluation

Non-Billable Activity included in

Reimbursement Rate

- Travel to/with Client
- Preparation
- Report writing/ Documentation
- Contact with other professionals
- Training & Staff meetings
- Administrative activity
- No show/cancellations
- Sick/Vacation/Holiday time

In summary, the cost based rates were calculated totaling provider costs from the cost surveys and tax documents from independent providers. Costs were classified as either direct service personnel or support and administration. The salary survey was used to compute an hourly direct service personnel cost by discipline. Administrative and support costs were added to the direct service amount. Hourly cost is then divided by the percent of billable activity, which is the amount of time spent doing billable tasks, divided by a person's total time.

Cost total = Direct Service Personnel Cost + Admin and Support Cost
 Hourly Cost = Direct service personnel hourly cost + Hourly Admin & Support
 Billable Activity = Billable Time / Total Time

Rate= $\frac{\text{Hourly Cost}}{\text{Billable activity}}$

KENTUCKY ACTIVITY

Solutions signed a contract with the Cabinet for Health Services on July 27, 2001 and began the process of reviewing service definitions, personnel types, and other pertinent information regarding Kentucky First Steps.

Cost Study: Project Timeline		
1.	Sent out an introductory letter to providers	08/01/2001
2.	Received a list of personnel by provider with the total billings by person. Only persons having billings in excess of \$500 for the first 6 months of the calendar year were available for possible selection.	08/06/2001
3.	Randomly selected 206 time survey participants, 30 providers for cost & salary survey and 48 Independents for Schedule C submission.	08/12/2001
4.	Reviewed provider selections for statewide representation.	08/20/2001
5.	Finalized the time, cost & salary survey instruments	8/15/2001
6.	Letter to providers advising them of their selection with the accompanying time survey instrument. Providers were given a notice regarding a videoconference informing scheduled for September 6, 2001.	08/19/2001
7.	Letter to 30 providers advising them of their selection with the accompanying cost survey instrument. Providers were given a notice regarding a video conference session scheduled for September 6, 2001	08/22/2001
8.	Video conference informing sessions for both time and cost survey participants was broadcast in 10 locations across Kentucky	09/06/2001

9.	Salary survey completion deadline for providers	09/07/01.
10.	Cost survey completion target	09/20/01.
11.	Analysis and evaluation	11/10/2001
12.	Preliminary summary submitted	11/15/2001
13.	Draft Summary report submitted	12/10/2001
14.	Draft Report submitted	1/18/2002
15.	Final Summary Report Submitted	0/31/2002
16.	Final Report Submitted	03/10/2002
17.	Administrative review by the Cabinet and finalization of reimbursement rates	04/01/2002

KENTUCY DATA COLLECTION/INFORMATION

Time Survey

A time survey was conducted with 164 of the 206 (80%) selected participants for a two to three week period beginning 9/09/01 and concluding on or before 9/29/01. Participants were randomly selected from direct service persons having billed at least \$500 during the first six months of calendar year 2001. Each person was asked to code in 15-minute increments and to include all compensated time. This is important since many providers serve populations beyond early intervention and some time, such as sick and vacation time, needs to be prorated across the populations served. Participants reported on 54,689 "15-minute increments" or 13,672 hours of which 65% (8,954) was related to the time survey purpose. Annualized, this would be approximately 112 full time equivalent employees assuming a 40-hour week, 52 weeks per year. The quality of coding by participants was outstanding with less than 1% of the coding in error; the quantity of information was sufficient. Of the total reported time, 81% represents service provider personnel and 19% represents time reported by Point of Entry staff.

Additional Facts

- 30 point of entry professionals selected- 27 participated
- 176 service professionals selected 137- participated
- 20 individuals completed a three-week survey
- 134 individuals completed a two-week survey and
- 10 individuals completed a one-week survey.

Face to Face Time

First Steps has defined face-to-face time with the child and/or family as the basis for payment for most services. The time survey results are as follows:

Summary of Billable Time (Face-to-Face) from Time Survey				
Type of Service	Therapeutic Intervention		Assessment	
Location	Office/Center	Home/Comm.	Office/Center	Home/Comm.
Most Services	56%	42%	38%	32%
Initial Service Coordination	45%	42%		

Assuming an 8-hour day (480 minutes) a Practitioner will spend on average:

3 hours and 30 minutes (42%) of face-to-face time for services in the home or community

4 hours and 50 minutes (56%) of face-to-face time for office/center based services

The remaining non face-to-face time is considered in the rate.

Salary Survey

Salary surveys were submitted by 11 of 30 (37%) randomly selected organizations. The detail represents 174.6 Full Time Equivalent (FTE) positions with 7.2 million dollars in annual payroll costs. Participation was less than expected and not sufficient for establishing base salary amounts for a number of disciplines. In nearly every instance, the survey results were compared to other State and/or National data that most often validated the survey results. A number of personnel types were not represented in the survey, or the results were too weak to be relied on. In these instances other sources were used. A complete list of sources is included in the worksheet section of this report.

A web site developed by Salary.com provided reliable Kentucky based information for many of the early intervention service professionals. It also regionalized the salaries for the Frankfort, Hopkinsville/ Lexington and Louisville areas. The information from Salary.com is provided in the worksheet section of this report. Other State sources included the 1999 OES State Occupational Employment and Wage Estimates, Commonwealth of Kentucky Class Specifications.

The following table summarizes the salary information used in the final cost based rate computations.

<u>Hourly Salary Information (Survey plus additional State & National Information)</u>	
\$14.91	Certified Occupational Therapy Asst., Physical Therapy Assistant, Speech-Language Pathologist Assistant
\$17.40	Developmental Interventionist, Orientation & Mobility Specialist, Social Worker, Teacher - of the Visually Impaired, Teacher - of the Deaf and Hard of Hearing, Service Coordinator
\$21.97	Audiologist, Dietitian, Family Therapist, Nurse, Nutritionist, Occupational Therapist, Physical Therapist, Speech-Language Pathologist
\$31.55	Psychologist, Psychologist-Certified
\$17.75	Assistive Technology Specialist
\$7.17	Developmental Assistant
\$12.79	Nurse - Licensed Practical
\$64.62	Physician
\$22.37	Psychological Associate
\$11.54	Developmental Associate
\$15.28	Service Coordinator - Primary
\$16.58	Service Coordinator - Initial
<i>All salary information was converted to a 2,080 hour basis (40*52)</i>	

Cost Survey

Completed cost surveys were received from 8 of 30 (27%) randomly selected organizations with total cost of slightly more than \$4.5 million dollars. Two additional providers submitted partial information that could not be used. These survey results are not sufficient to stand alone. The information is however, consistent with results in other states. Total cost, including Schedule C participants, is \$5,404,081 of which 73% is direct service or \$3,957,960. Support and administrative cost accounts for the remaining 27% or \$1,446,121 73.

Schedule C Participants

Total revenues from 14 of 48 selected (29%) participants is, approximately \$850,000 for the calendar year 2001. The IRS Schedule C form summarizes revenue and expense for an independent provider. Appendix C to this report is the cover letter and alternative form that could be submitted. For most independents the information was based on the calendar year-end of December 31, 2000. As with other surveys, providers were randomly selected for participation.

Cost Survey Information (No schedule C Participants)
--

Total	Personnel	Personnel- Benefits DS	Personnel- Support	Personnel- Benefits S	Contractual	Support & Admin
\$4,557,334	\$2,012,071	\$ 218,607	\$267,538	\$46,226	\$1,108,466	\$904,426

Cost Survey Information Including Schedule C Participants				
Total	Direct Service	Support & Admin	Direct Service	Support & Admin
\$5,404,081	\$ 3,957,960	\$ 1,446,121	73.2%	26.8%

Benefits

Salaries for direct service personnel and support personnel total \$2,279,609 (\$2,012,071 + \$267,538) and benefits total \$264,833 (\$218,607+\$46,226). Based on the cost survey information, benefits are 12% of salary. Information regarding benefits was captured in both the cost survey and the salary survey, with the salary survey having only a slightly higher result. While the results were considered valid, key First Steps personnel felt that the number was lower than expected and asked for further review and adjustment. Consequently, the benefit percent used in this cost based study was adjusted to 18%.

Some benefit costs, such as health insurance, are the same per employee and are not generally paid as a percentage of salary -- as opposed to FICA which is a percentage of salary. The cost of benefits is regressive in that the percentage of cost is smaller from those with high income than from those with lower income. Applying the 18% to salary directly will understate the cost of service for lower paid personnel types. This regressive effect is somewhat mitigated by computing half of the benefit amount as a fixed cost per employee of \$3,116 and assigning the remaining 8% based on the salary amount. For example a person making \$40,000 annually would have a cost of \$6,316 which is \$3,116 plus $40,000 * .08 = \$3,200$

Administrative & Support

Administrative and support costs are 23% of total direct salary cost. While totals may be viewed in terms of percent, it is more appropriate to compute the hourly cost based on a flat amount per person. The total cost is divided by the number of Full Time Equivalent (FTE) direct service positions to establish a cost per person of \$16,308 per year. This per person amount is more reflective of cost than using a percentage of salary, since costs do

not vary based on the salary that is paid. For example, travel reimbursement is at \$.32 per mile regardless of whether the salary is \$20,000 per year or \$50,000. The same holds true for rent, photocopying, etc.

ANALYSIS: SERVICE ASSESSMENT

Through the analysis, it was clear that there was confusion regarding evaluation and assessment activity in the time study -- particularly with Point of Entry (POE) staff. First Steps staff acknowledged that this is a historical issue. The assumption going into the study was that evaluation and assessment activity requires more report writing than traditional therapeutic intervention. For every 60 minutes of face-to-face time, the survey showed the following time for documentation, preparation and report writing:

Service Assessment: 65 minutes or 108% of face to face

Therapeutic Intervention: 20 minutes or 34% of face to face

Further clarification/definition around assessment activity is warranted and an adjustment to the cost based information may be necessary when establishing final rates.

CHARACTERISTICS OF KENTUCKY'S RATE REIMBURSEMENT STRUCTURE

- Discipline Specific Reimbursement
- Higher reimbursement amounts for Home & Community based services to compensate for reduced billable time and the cost of practitioner transportation.
- Higher reimbursement for assessment activity intended to compensate for more intensive paperwork requirements.
- Clustering of similar disciplines at the same rate of reimbursement
- Most services are reimbursed for face-to-face time with the child and family
- Some event based reimbursement such as primary evaluation and intensive clinic evaluation
- Recognizes collateral time, including telephone contact, as part of the reimbursable base for service coordination
- Some reimbursement amounts were set for programmatic reasons rather than being driven by cost
- Rounded to the nearest whole dollar amount

COST BASED RATES COMPUTATIONS

The following section is a series of worksheets designed to bring together the detail into a cost based rate using Kentucky's existing reimbursement structure. This chart represents the final cost based rates applying the information collected in this study

Kentucky - First Steps (01/16/2002)				
Cost Study				
Study Information				
	Therapeutic Intervention & Collateral Services		Service Assessment	
	Office/Center	Home/Comm	Office/Center	Home/Comm
Developmental Assistant	\$ 31.00			
Nurse - Licensed Practical	\$ 41.00	\$ 65.00		
Certified Occupational Therapy Asst., Physical Therapy Assistant, Speech Language Pathologist Assistant * 2	\$ 46.00	\$ 71.00		
Developmental Associate *2	\$ 45.00	\$ 69.00		
Developmental Interventionist, Orientation & Mobility Specialist, Social Worker, Teacher of the Visually Impaired, Teacher of the Hard of Hearing	\$ 50.00	\$ 77.00	\$ 75.00	\$ 97.00
Assistive Technology Specialist	\$ 50.00	\$ 77.00	\$ 88.00	\$ 112.00
Audiologist, Dietitian, Family Therapist, Nurse, Nutritionist, Occupational Therapist, Physical Therapist, Speech-Language Pathologist	\$ 59.00	\$ 88.00	\$ 88.00	\$ 112.00
Physician	\$ 141.00			
Psychological Associate	\$ 60.00	\$ 89.00		
Psychologist, Psychologist-Certified	\$ 78.00	\$ 113.00	\$ 115.00	\$ 144.00
Respite Provider *1	\$7.75			
Service Coordinator - Initial	\$ 60.00	\$ 73.00		
Service Coordinator - Primary	\$ 60.00	\$ 76.00		
Primary Evaluation - per event				\$153.00
Intensive Clinic Evaluation - per event				\$937.00
Integrated Disciplines	\$53.00			

*1. Identified \$2.60 per hour as administrative and support costs leaving \$5 per hour for a respite provider. Recommend an increase to allow for payment of the minimum wage at \$5.15 per hour and no benefits.

* 2. Grouped with PTA, COTA and SLP Associate for cost computations, then used existing rate structure to create a \$1 difference for Office/Ctr and a \$2 difference on Home/Community between the disciplines.

and uses information from the Hourly Cost Converted To Reimbursement Amount worksheet on the next page. The information is rounded to the nearest whole number. Service coordination and event based reimbursement come from a worksheet called "other".

Kentucky - First Steps (01/16/2002)
Study of the Cost for the Year ending June 30, 2001
Hourly Cost Converted To Reimbursement Amount

		Hourly Service Cost Based on Face to Face Contact		Hourly Eval Cost Based on Face to Face Contact	
Cost Category	Current Cost per Hour Employees	Office/Center	Home/Comm	Office/Center	Home/Comm
Face to Face Percent		56%	42%	38%	32%
Travel Cost per Hour			\$ 9.60		\$ 9.60
Developmental Assistant	\$ 17.09	\$ 30.55	\$ 50.25		
Nurse - Licensed Practical	\$ 23.16	\$ 41.40	\$ 64.69		
Certified Occupational Therapy Asst., Physical Therapy Assistant, Speech-Language Pathologist Assistant	\$ 25.45	\$ 45.50	\$ 70.14		
Developmental Interventionist, Orientation & Mobility Specialist, Social Worker, Teacher - of the Visually Impaired, Teacher - of the Deaf and Hard of Hearing	\$ 28.25	\$ 50.50	\$ 76.79	\$ 75.16	\$ 97.09
Audiologist, Dietitian, Family Therapist, Nurse, Nutritionist, Occupational Therapist, Physical Therapist, Speech-Language Pathologist	\$ 33.08	\$ 59.13	\$ 88.28	\$ 88.02	\$ 112.06
Physician	\$ 79.13	\$ 141.45			
Psychological Associate	\$ 33.51	\$ 59.89	\$ 89.29		
Psychologist, Psychologist-Certified	\$ 43.42	\$ 77.62	\$ 112.88	\$ 115.53	\$ 144.09

This worksheet applies the billable base to the hourly cost and adds a travel amount of \$9.60 per for services provided in the Home and/or Community. The amount assumes that someone will travel on average 30 miles per hour and is reimbursed at \$.32 per mile. Current cost per employee comes from the worksheet called Hourly Cost with Administrative & Support on the next page.

Kentucky - First Steps (01/16/2002)
Study of the Cost for the Year ending June 30, 2001
Hourly Cost with Administrative & Support

Group	Cost Category	Average Salary	Salary Cost Per Hour	Benefit Cost - @ \$1.51 +8% of salary	Admin & Support Costs	Current Cost per Hour for All Work Hours
1	Developmental Assistant	\$ 14,907	7.17	\$ 2.08	\$ 7.84	\$ 17.09
2	Nurse-LPN	\$ 26,600	12.79	\$ 2.53	\$ 7.84	\$ 23.16
3	Associate Level	\$ 31,015	14.91	\$ 2.70	\$ 7.84	\$ 25.45
4	Early Intervention Specialist	\$ 36,402	17.50	\$ 2.91	\$ 7.84	\$ 28.25
5	Therapist	\$ 45,707	21.97	\$ 3.27	\$ 7.84	\$ 33.08
6	Physician	\$ 134,400	64.62	\$ 6.68	\$ 7.84	\$ 79.13
7	Psychological Associate	\$ 46,523	22.37	\$ 3.30	\$ 7.84	\$ 33.51
8	Other Psychological	\$ 65,625	31.55	\$ 4.03	\$ 7.84	\$ 43.42
9	Service Coordination	\$ 33,815	16.26	\$ 2.81	\$ 7.84	\$ 26.91

This worksheet takes the average salary information to an hourly amount and adds benefits as well as support and administrative costs to capture total cost per person hour. This is for 100% of a person's time and must be adjusted for the billable basis.

Benefits are based on 18% of salary and are applied using 50% of the amount as a fixed amount per hour with the remainder applied as a percentage of salary.

Administrative and support costs are 23% of salary or \$16,308 per person. This includes all necessary costs to support the person. The hourly amount is computed as follows: \$16,308/2080=7.84

Kentucky First Steps (01/16/2002)
Study of the Cost for the Year ending June 30, 2001
Other Services

1. Primary Evaluation

Annual Salary Developmental Interventionist	\$ 36,402	10%	\$ 3,640	
Annual Salary Therapist	\$ 45,707	90%	\$ 41,136	
Average Annual Salary for Primary Evaluation			\$ 44,777	
Benefit Base Amount			\$ 3,116	
Benefit Percent of Salary			\$ 3,582	
Administration and Support			\$ 16,200	
Total Cost for Primary Evaluator			\$ 67,675	
Hourly Cost based on 2080 Work Hours			\$ 33	
Average Duration of Evaluation Session from time survey	1.5	hours	\$ 49	
Cost Study Amount			\$ 153	
Current Reimbursement Amount			\$ 250	
Percent Change over current reimbursement.			39%	

2. Intensive Clinic Evaluation

Annual Salary Physician	\$ 134,400	15%	\$ 20,160	
Annual Salary Therapist	\$ 45,707	85%	\$ 38,851	
Average Annual Salary for Primary Evaluation			\$ 59,011	
Benefit Base Amount			\$ 3,116	
Benefit Percent of Salary			\$ 4,721	
Administration and Support			\$ 16,200	
Total Cost for Primary Evaluator			\$ 83,048	
Hourly Cost based on 2080 Work Hours			\$ 40	
Average Duration of Evaluation Session from time survey	1.5	hours	\$ 60	
Cost Study Amount			\$ 187.16	\$ 935.79
Current Reimbursement Amount				\$ 1,100.00
Percent Change over current reimbursement.				15%

3. Integrated Disciplines

Annual Salary Developmental Interventionist	\$ 36,402	60%	\$ 21,841	
Annual Salary Therapist	\$ 45,707	40%	\$ 18,283	
Average Annual Salary for Primary Evaluation			\$ 40,124	
Benefit Base Amount			\$ 3,116	
Benefit Percent of Salary			\$ 3,210	
Administration and Support			\$ 16,200	
Total Cost for Primary Evaluator			\$ 62,650	
Hourly Cost based on 2080 Work Hours			\$ 30	
Center Based Face to Face Activity	0.56		\$ 54	
Assumes three practitioners			\$ 161	
Assumes Three children			\$ 54	

Current Reimbursement Amount			\$ 56	
Percent Change over current reimbursement.			4%	

COMPARISON CHARTS

The information in the following tables depicts the results of the study with a comparison to the current reimbursement structure. The information DOES NOT reflect action to be taken by the Cabinet, which has the responsibility for establishing the actual reimbursement amount. The charts reflect the existing clustering in the current system.

- Parentheses indicate that the study showed a lower cost than the current reimbursement structure.
- Blank cells indicate that the service is not allowed for that discipline

<i>Developmental Assistant</i>				
	Therapeutic Int.		Service Assessment	
	Office/Ctr	Home/Comm	Office/Ctr	Home/Comm
Current	\$ 10.00			
Survey	\$ 31.00			
Difference \$	\$ 21.00			
Difference %	210%			
Comments:	Limited use discipline traditionally reimbursed at a low amount.			

<i>Nurse - Licensed Practical</i>				
	Therapeutic Int.		Service Assessment	
	Office/Ctr	Home/Comm	Office/Ctr	Home/Comm
Current	\$ 24.00	\$ 32.00		
Survey	\$ 41.00	\$ 65.00		
Difference \$	\$ 17.00	\$ 33.00		
Difference %	71%	103%		

<i>Certified Occupational Therapy Asst., Physical Therapy Assistant, Speech Language Assistant</i>				
	Therapeutic Int.		Service Assessment	
	Office/Ctr	Home/Comm	Office/Ctr	Home/Comm
Current	\$ 52.00	\$ 70.00		
Survey	\$ 46.00	\$ 71.00		
Difference \$	\$ (6.00)	\$ 1.00		
Difference %	-12%	1%		
Comments:	Grouped with Developmental Associate for cost computations, then used existing rate structure to create a \$1 difference for Office/Ctr and a \$2 difference on Home/Community between the disciplines.			

Developmental Interventionist, Orientation & Mobility Specialist, Social Worker, Teacher of the Visually Impaired, Teacher of the Deaf and Hard of Hearing

	Therapeutic Int.		Service Assessment	
	Office/Ctr	Home/Comm	Office/Ctr	Home/Comm
Current	\$ 68.00	\$ 91.00	\$ 83.00	\$ 108.00
Survey	\$ 50.00	\$ 77.00	\$ 75.00	\$ 97.00
Difference \$	\$ (18.00)	\$ (14.00)	\$ (8.00)	\$ (11.00)
Difference %	-26%	-15%	-10%	-10%

Audiologist, Dietitian, Family Therapist, Nurse, Nutritionist, Occupational Therapist, Physical Therapist, Speech-Language Pathologist

	Therapeutic Int.		Service Assessment	
	Office/Ctr	Home/Comm	Office/Ctr	Home/Comm
Current	\$ 70.00	\$ 94.00	\$ 86.00	\$ 112.00
Survey	\$ 59.00	\$ 88.00	\$ 88.00	\$ 112.00
Difference \$	\$ (11.00)	\$ (6.00)	\$ 2.00	\$ -
Difference %	-16%	-6%	2%	0%

Physician

	Therapeutic Int.		Service Assessment	
	Office/Ctr	Home/Comm	Office/Ctr	Home/Comm
Current	\$ 76.00			
Survey	\$ 141.00			
Difference \$	\$ 65.00			
Difference %	86%			

Psychological Associate

	Therapeutic Int.		Service Assessment	
	Office/Ctr	Home/Comm	Office/Ctr	Home/Comm
Current	\$ 116.00	\$ 170.00		
Survey	\$ 60.00	\$ 89.00		
Difference \$	\$ (56.00)	\$ (81.00)		
Difference %	-48%	-48%		

Psychologist, Psychologist-Certified

	Therapeutic Int.		Service Assessment	
	Office/Ctr	Home/Comm	Office/Ctr	Home/Comm
Current	\$ 155.00	\$ 226.00	\$ 207.00	\$ 268.00
Survey	\$ 78.00	\$ 113.00	\$ 115.00	\$ 144.00
Difference \$	\$ (77.00)	\$ (113.00)	\$ (92.00)	\$ (124.00)
Difference %	-50%	-50%	-44%	-46%

<i>Assistive Technology Specialist</i>				
	Therapeutic Int.		Service Assessment	
	Office/Ctr	Home/Comm	Office/Ctr	Home/Comm
Current	\$ 68.00	\$ 91.00	\$ 86.00	\$ 112.00
Survey	\$ 50.00	\$ 77.00	\$ 88.00	\$ 112.00
Difference \$	\$ (18.00)	\$ (14.00)	\$ 2.00	\$ -
Difference %	-26%	-15%	2%	0%

<i>Developmental Associate</i>				
	Therapeutic Int.		Service Assessment	
	Office/Ctr	Home/Comm	Office/Ctr	Home/Comm
Current	\$ 51.00	\$ 68.00		
Survey	\$ 45.00	\$ 69.00		
Difference \$	\$ (6.00)	\$ 1.00		
Difference %	-12%	1%		
Comments: Grouped with PTA, COTA and SLP Associate for cost computations, then used existing rate structure to create a \$1 difference for Office/Ctr and a \$2 difference on Home/Community between the disciplines.				

<i>Respite</i>	
	Respite
Current	\$7.60
Survey	\$7.75
Difference \$	\$0.15
Difference %	2%

METHOD FLEXIBILITY

The method used to compute cost based rates in this study allows for a variety cost factors. It is not uncommon for urban areas in a state to have higher cost for personnel, rent, etc. This is often balanced by more densely populated communities and results in a higher billable percent of time. Conversely, more rural areas have more travel time, which generally means a lower billable percent of time. This is true if the area has professionals to deliver the service within its borders. There are three variables that come together to identify cost; namely: salary, administration & support and billable time. The three variables allow for a variety of differences that may occur based on geography, administrative structure or higher costs. The examples below demonstrate three unique situations resulting in a cost of \$111 per hour.

Example 1 might be a physician's office where the focus is on moving the Doctor from room to room to increase billable time.

Example 2 might be a traditional provider with employees and support staff for copying and filing.

Example 3 might be an independent provider who may have lower costs but also has lowered billable time since there are no supports for work that needs to occur.

Kentucky - First Steps (01/16/2002)				
Study of the Cost for the Year ending June 30, 2001				
Cost Study				
	Example # 1	Example # 2	Example # 3	
Salary	\$ 59.50	\$ 38.00	\$ 40.00	
Support & Admin	\$ 35.00	\$ 12.00	\$ 4.50	
Total Cost	\$ 94.50	\$ 50.00	\$ 44.50	
Billable Base	85%	45%	40%	
Rate Needed	\$ 111.00	\$ 111.00	\$ 111.00	

NEXT STEPS

The Cabinet is in the process of reviewing the results of the study and will be making decisions regarding reimbursement amounts as soon as possible.

WORKSHEET SUMMARY

This worksheet section is included as reference material for information cited throughout the report. Columns identified alphabetically and the rows identified numerically for easy reference.

Worksheet Names	Worksheet Number
<u>Current Rate Structure</u>	<u>1</u>
<u>Average Salaries by Practitioner from Salary Survey</u>	<u>2</u>
<u>Salary.Com Data Review</u>	<u>3</u>
<u>Salary Source</u>	<u>4</u>

Kentucky First Steps (01/16/2002)

Cost Study

Current Rate Structure # 1

	Therapeutic Intervention & Service Assessment			
	Collateral Services			
	Office/Center	Home/Comm	Office/Center	Home/Comm
Developmental Assistant	\$ 10.00			
Nurse - Licensed Practical	\$ 24.00	\$ 32.00		
Certified Occupational Therapy Asst., Physical Therapy Assistant, Speech Language Pathologist Assistant	\$ 52.00	\$ 70.00		
Developmental Associate	\$ 51.00	\$ 68.00		
Developmental Interventionist, Orientation & Mobility Specialist, Social Worker, Teacher of the Visually Impaired, Teacher of the Hard of Hearing	\$ 68.00	\$ 91.00	\$ 83.00	\$ 108.00
Assistive Technology Specialist	\$ 68.00	\$ 91.00	\$ 86.00	\$ 112.00
Audiologist, Dietitian, Family Therapist, Nurse, Nutritionist, Occupational Therapist, Physical Therapist, Speech-Language Pathologist	\$ 70.00	\$ 94.00	\$ 86.00	\$ 112.00
Physician	\$ 76.00			
Psychological Associate	\$ 116.00	\$ 170.00		
Psychologist, Psychologist-Certified	\$ 155.00	\$ 226.00	\$ 207.00	\$ 268.00
Respite Provider		\$ 7.60		
Service Coordinator - Initial	\$ 68.00	\$ 91.00		
Service Coordinator - Primary	\$ 65.00	\$ 88.00		
Primary Evaluation - per event			\$ 250.00	\$ 250.00
Intensive Clinic Evaluation - per event			\$ 1,100.00	\$ 1,100.00

Kentucky First Steps (01/16/2002)
Study of the Cost for the Year ending June 30, 2001

Average Salaries by Practitioner from Salary Survey # 2

	# of Full Time Equivalents	Salary Total	Average Salary	Min Salary	Max Salary
Audiologist	1	\$36,500.00	\$36,500.00	\$36,500.00	\$36,500.00
Certified Occupational Therapy Assistant	5.33	\$176,054.00	\$33,031.00	\$29,120.00	\$39,457.00
Developmental Assistant	1.5	\$22,360.00	\$14,907.00	\$14,560.00	\$15,600.00
Developmental Evaluator-Primary	1.15	\$38,873.00	\$33,803.00	\$33,000.00	\$39,153.00
Developmental Interventionist	27.04	\$950,682.00	\$35,158.00	\$23,990.00	\$64,022.00
Nurse	50	\$1,836,500.00	\$36,730.00	\$35,000.00	\$41,000.00
Nurse-Licensed Practical	5	\$133,000.00	\$26,600.00	\$23,000.00	\$29,000.00
Occupational Therapist	17.33	\$907,412.00	\$52,361.00	\$22,600.00	\$96,387.00
Physical Therapist	17.68	\$1,052,871.00	\$59,552.00	\$40,500.00	\$88,910.00
Physical Therapy Assistant	10.28	\$360,081.00	\$35,027.00	\$29,290.00	\$42,660.00
Physician	1	\$134,400.00	\$134,400.00	\$134,400.00	\$134,400.00
Service Coordinator-Initial	1.94	\$66,447.00	\$34,251.00	\$26,785.00	\$42,194.00
Service Coordinator-Primary	10.88	\$363,168.00	\$33,379.00	\$24,503.00	\$40,289.00
Speech-Language Pathologist	24.48	\$1,134,542.00	\$46,346.00	\$37,000.00	\$64,730.00
Report Total	174.6	\$7,212,890			

Kentucky First Steps (01/16/2002)
Study of the Cost for the Year ending June 30, 2001
Salary.Com Data Review # 3

	Frankfort	Hopkinsville/ Lexington	Louisville	KY Average	National
Practitioner					
Audiologist	\$ 46,462	\$ 46,414	\$ 48,210	\$ 47,029	\$ 48,550
Occupational Therapist	\$ 49,838	\$ 49,786	\$ 49,838	\$ 49,821	\$ 52,077
Physical Therapist	\$ 53,539	\$ 53,483	\$ 55,553	\$ 54,192	\$ 55,945
Social Worker (BSW)	\$ 33,724	\$ 33,688	\$ 34,992	\$ 34,135	\$ 35,239
Speech Language Pathologist	\$ 47,759	\$ 47,709	\$ 47,759	\$ 47,742	\$ 49,905
Dietician	\$ 37,056	\$ 37,018	\$ 38,450	\$ 37,508	\$ 38,721
Psychologist	\$ 45,963	\$ 45,915	\$ 47,692	\$ 46,523	\$ 48,029
Social Worker (MSW)	\$ 39,469	\$ 39,427	\$ 40,953	\$ 39,950	\$ 41,242
Psychiatrist	\$128,678	\$ 128,544	\$ 133,519	\$ 130,247	\$134,460
Registered Nurse	\$ 42,548	\$ 42,504	\$ 44,149	\$ 43,067	\$ 44,460
LPN	\$ 36,250	\$ 36,212	\$ 37,613	\$ 36,692	\$ 37,878
Physician Peds	\$ 127,913	\$ 127,782	\$ 132,728	\$ 129,474	\$133,663
Preschool Teacher	\$ 20,102	\$ 20,081	\$ 20,858	\$ 20,347	\$ 21,005
Teacher Aide	\$ 15,311	\$ 15,295	\$ 15,887	\$ 15,498	\$ 15,999
Child Care Worker	\$ 18,181	\$ 18,162	\$ 18,864	\$ 18,402	\$ 18,997
COTA	\$ 33,446	\$ 33,411	\$ 34,704	\$ 33,854	\$ 37,811
PTA	\$ 35,133	\$ 35,097	\$ 36,455	\$ 35,562	\$ 36,712
Psych Tech	\$ 22,000	\$ 21,977	\$ 22,828	\$ 22,268	\$ 22,989
Nutritionist	\$ 34,235	\$ 34,235	\$ 34,235	\$ 34,235	

Salary.com is a trademark and service mark of Salary.com, Inc. Salary Wizard is a trademark of Salary.com, Inc.
<http://aolsvc.salary.aol.com/careersandwork/salary/>

Kentucky First Steps (01/16/2002)
Study of the Cost for the Year ending June 30, 2001
Salary Source # 4

Group	Cost Category	Cost Study Salary Amount	Salary Basis
4	Assistive Technology Specialist	\$ 36,916	5% more than that of the Developmental Interventionist using the salary survey
5	Audiologist	\$ 47,029	Salary.Com Kentucky State average
1	Developmental Assistant	\$ 14,907	Salary Survey
3	Developmental Associate	\$ 24,000	This is approximately 2/3 of the Developmental Interventionist's salary
4	Developmental Interventionist	\$ 35,158	Salary Survey
5	Dietitian	\$ 37,508	Salary.Com Kentucky State average
5	Family Therapist	\$ 45,559	The average of all level 5's (Therapist types)
5	Nurse	\$ 43,067	Salary.Com Kentucky State average for a registered nurse
2	Nurse - Licensed Practical	\$ 26,600	Salary Survey
5	Nutritionist	\$ 34,235	Salary.Com Kentucky State average
5	Occupational Therapist	\$ 52,361	Salary Survey
3	Certified Occupational Therapy Asst.	\$ 33,031	Salary Survey
4	Orientation & Mobility Specialist	\$ 35,158	Salary Survey
6	Physician	\$ 134,400	Salary Survey
5	Physical Therapist	\$ 59,552	Salary Survey
3	Physical Therapy Assistant	\$ 35,027	Salary Survey
8	Psychologist	\$ 75,000	Review with Commission staff of all sources and KY specific licensure requirements
8	Psychologist-Certified	\$ 56,250	Three quarters (75%) of the Psychologist Salary
7	Psychological Associate	\$ 46,523	Salary.Com Kentucky State average for a Psychologist
	Respite Provider	\$ 10,712	Minimum wage of \$5.15 per hour
9	Service Coordinator - Initial	\$ 34,251	Salary Survey
9	Service Coordinator - Primary	\$ 33,379	Salary Survey
4	Social Worker	\$ 39,950	Salary.Com Kentucky State average for an MSW
5	Speech-Language Pathologist	\$ 46,346	Salary Survey
3	Speech-Language Pathologist Asst.	\$ 32,000	Estimated using other associate level personnel
4	Teacher - of the Visually Impaired	\$ 36,916	5% more than that of the Developmental Interventionist using the salary survey
4	Teacher of the Deaf and Hard of Hearing	\$ 36,916	5% more than that of the Developmental Interventionist using the salary survey
4	Primary Evaluation	\$ 33,803	Salary Survey

Appendix A - Time Survey Instrument

SOLUTIONS LETTERHEAD

August 20, 2001

TO: Time Survey Providers
FROM: Karleen R. Goldhammer
RE: Time Survey Participation

The Cabinet for Health Services is reexamining the rates of reimbursement paid for delivering early intervention services and is conducting a time survey as part of that effort. The process, successfully used in other states, allows First Steps leadership to make informed decisions regarding appropriate reimbursement rates for the early intervention system. We recognize that this comprehensive approach places substantial activity at the provider level and truly appreciate your contribution to the process. This approach provides timely information to the Cabinet that ensures that the Cabinet makes informed decisions reflective of provider effort.

Participants represent a limited number of providers randomly selected for the time survey portion of this activity. Your role is important in trying to assure well-balanced participation from the current providers of early intervention services. The data that are submitted will be utilized, with information from other participants, to provide a portrait of provider activity that reflects current practice and guides the Cabinet in establishing rate recommendations that will support the continued development of the Kentucky First Steps system.

Enclosed with this packet are: a) a list of participant(s) [canary]; b) a set of instructions for each person selected to participate (pink); c) a completed sample time sheet (lavender); and c) multiple copies of the time sheet itself. **The time survey is scheduled during the three-week period beginning on Sunday, September 9, 2001 and continuing through Saturday, September 22, 2001. Only randomly selected employees and contractors providing client service(s) will participate in the time survey. The specific individual participants have been pre-selected for you and are listed in an attachment to this letter.** All time sheets are to be mailed directly to *SOLUTIONS* as part of the commitment that all information will remain confidential.

Videoconferences about the time survey are scheduled for September 6th and 7th and will provide an opportunity to review the content of this packet of material and will include time for questions and answers. It will be helpful for selected time survey participants to attend the

session. If you would have questions before or after the session, please call my office directly at 207-623-8994 or e-mail your request to Kgoldhamm@AOL.COM.

Thank you, in advance, for your contribution to this effort. Please don't hesitate to call if you have questions.

COMPLETING THE FIRST STEPS TIME SURVEY: Instructions

Period of Time Survey:

The time survey will begin on your first workday beginning on or after Sunday, September 9, 2001 and will end on the last workday on or before Saturday, September 22, 2001. The period will cover two weeks.

Time Sheet Instructions

1. Each person *must identify work activities in fifteen-minute increments* throughout the two-week time survey period. Each 15 minute time period will be documented up to three ways. Each 15-minute period **must** have a **category identified, non-administrative and support categories should be categorized with an activity code and direct activities should indicate a location.**
2. **Record the most prominent activity** in which you have engaged during each fifteen-minute increment. For example, if you made a telephone call to link the family with Parent-to-Parent for five minutes and then began an evaluation report during the last ten minutes of a fifteen-minute period, you record the **category as (E) evaluation** and the **activity as (7) report writing**. *Definitions* for the category, type of activity, and location *are attached*. Time study definitions used were developed to correspond with requirements of the early intervention system and are unique to this survey activity.
3. Direct Service Providers including Service Coordinators and Para-professionals have been randomly selected to participate in the time survey for the two-week period. If you provide both direct treatment services as well as support or supervision you should still complete the survey and indicate an "X" for Not related to time survey purpose for the portion of time spent in supervisory or support service.
4. If you serve a client population beyond early intervention, please document all of your time not only the time related to early intervention. Again use the category "X" for Not related to time survey purpose for serving clients beyond early intervention. Total time accounted for in the time study must be equal to the amount of compensated time or total work time for independents.
5. Please include the total number of children served each day. Of that total please note the number of children served in the home or community. This will help to compute the increased cost of delivering service in that setting.
6. Each person should identify a position from the list below, and also their particular discipline and/or educational background if appropriate.

POSITION LIST

Assistive Technology Specialist
Audiologist
Developmental Assistant
Developmental Associate

Developmental Evaluator
Developmental Interventionist
Dietician
Family Therapist
Nurse

Nurse-Licensed Practical
Nutritionist
Occupational Therapist
Occupational Therapist-Certified
Orientation & Mobility Specialist
Physician
Physical Therapist
Physical Therapy Assistant
Psychologist

Psychologist-Certified
Respite Provider
Service Coordinator-Initial
Service Coordinator-Primary
Social Worker
Speech-Language Pathologist
Speech-Language Pathology Assistant
Teacher-of the Visually Impaired
Teacher-of the Deaf and Hard of Hearing

Completion Protocol:

1. For errors, a simple one-line cross out is best.
2. **DO NOT SELECT MORE THAN ONE CODE!** This has been a problem in past time surveys. Select the most prominent code for that time period.
3. Participants should keep a photocopy of the timesheet and mail the original as a precaution, in case of lost mail.
4. Completion of the time sheet should occur throughout the day. The best results occur when participants record activity at the end of each of the 15-minute periods.
5. The time sheet must represent an after-the-fact distribution of the actual activity of each employee.
6. The total activity for which each employee is compensated must be documented. If you are an independent practitioner, you must account for all work time using the X for not related to the time survey purpose if you are doing non-First Steps activity.
6. Each time sheet must be signed by the participant.
7. **Neatness is important.**

Mailing completed time surveys

1. If more than one participant has been selected at an organization, designate one person within each location as the recipient of the time sheets.
2. Time survey sheets should be mailed weekly to:
Karleen Goldhammer Tel: 207-623-8994
Financial Consultant
280 Riverside Drive E-Mail: Kgoldhamm@aol.com
Augusta, ME 04330
3. Final surveys should be **mailed no later than Thursday, September 27, 2001.**
4. **Do NOT fax the time sheets please we generally cannot read them from a fax.**
5. Time survey information will be viewed in aggregate form only!
6. Do not change your activity because the time survey is being conducted. It is important that the time reported reflects your true daily activity.

Category	Activity (Only for Direct Service)	Location (Only for # 5)
Direct Service Categories		
R. Referral	1. Documentation 2. Preparation 3. Collateral Meeting with Other Professionals 4. Collateral Meeting with Community Contacts 5. Direct----- ----- 6. Travel 7. Report Writing 8. Telephone Contact 9. No Show/ Cancellation/Attempted Home Visit	H. Home/Community O. Office/Center
I. Intake		
E. Evaluation, Eligibility Determination and Assessment		
F. IFSP Development and Meeting		
N. Intervention		
S. Service Coordination		
Administrative and Support Categories		
T. Training		
P. Program Level Community Collaboration		
G. General & Administrative		
V. Vacation and Sick Time		
X. Not Related to Time Survey Purpose		

DEFINITIONS

Categories of Services

R. Referrals

- Completing all referral activities including:
 - Confirming the referral source
 - Accepting the referral
 - Completing the referral form
 - Gathering information for the family prior to intake
 - Compiling and beginning to complete the intake packet
 - Referring to other agencies
 - Initiating the documentation required to develop and maintain an early intervention record for each child referred, irrespective of the outcome (eligible or not, accept or decline services, etc.) of the referral
 - Other related activities including those listed under intake if they are completed prior to the formal intake with the family
- *This includes only activities prior to the actual intake.*

I. Intake

- Conducting and completing the Intake process including:
 - Obtain written parental consent to proceed
 - Initiate requests for information with informed, written parental consent
 - Explain Family Rights Handbook
 - Conduct comprehensive parent interview to determine areas of concern (if one hasn't already been performed)
 - Provide a full understanding in the family's primary language, or other mode of communication, including in writing of the family's procedural safeguards
 - Communicate with the referral source regarding next steps
 - Completing documentation required to develop and maintain an early intervention record for each child for whom intake has been completed including appropriate notes and reports such as summaries of information, key correspondence, and releases of information

E. Evaluation, Eligibility Determination, and Assessment

- Planning the evaluation/assessment with targeted evaluation team members prior to the actual evaluation/assessment
- Arranging for or collecting relevant evaluations and assessments necessary to determine eligibility and/or to develop the IFSP for an eligible child
- Ensuring that a multidisciplinary team determines eligibility
- Gathering information related to eligibility determination

- Reviewing intake information to determine appropriate evaluation areas and process with team members
- Gathering information necessary for evaluation/assessment including reviewing the medical records, etc.
- Completing evaluation and assessment activities including observations, interviews, administration of appropriate tests, completion of testing protocols, writing reports, etc.
- Advising the parent/ legal guardians of their procedural safeguards related to eligibility determination
- Obtain relevant releases and authorizations necessary for evaluation and assessment activities
- Completing the Evaluation Summary Form.

F. IFSP Development and Meeting

- Pre-IFSP planning activities with relevant team members
- Planning the logistics of the IFSP meeting
- Ensuring that the variety of planning activities prior to the IFSP team meeting are conducted with each family of an eligible child
- Ensuring that each family understands the IFSP process, is familiar with the IFSP format, and is well prepared as an equal participant to the IFSP team for the scheduled meeting
- Ensuring that an initial IFSP is developed for each eligible child within 45 days of referral
- Assisting each family to identify outcomes and objectives for their child and themselves at initial IFSP and ongoing
- Working with team members to identify strategies resources and services needed to achieve outcomes at initial IFSP and ongoing
- Assuring that providers are available for services identified on the IFSP

N. Intervention

- Assuring that providers are available for services identified on the IFSP
- Activities related to the achievement of child and family outcomes including:
 - Direct intervention strategies with the child and/or family to achieve the IFSP outcomes (Therapeutic Intervention)
 - Training childcare providers on child-specific intervention strategies, etc.
 - Preparing materials, strategies, equipment, and activities related to IFSP outcomes
 - Gathering information or researching topics to meet the child and family needs related to intervention strategies and techniques and/or IFSP outcomes to increase the family's capacity to meet their child's needs
 - Making adaptive equipment including switches, seating, communication systems, etc.

S. Service Coordination

- Assuring that providers are available for services identified on the IFSP
- Once the initial IFSP is developed, ongoing service coordination activities include:
 - Coordinating the performance of evaluations and assessments
 - Facilitating and participating in the development, review, and evaluation of individualized family service plans
 - Assisting families in identifying available service providers
 - Coordinating and monitoring the delivery of available services
 - Informing families of the availability of advocacy services
 - Coordinating with medical and health providers
 - Facilitating the development of a transition plan for children exiting the Part C program.
 - Coordinating all services across agency lines
 - Serving as the single point of contact in helping parents to obtain the services and assistance they need
 - Assisting parents of eligible children in gaining access to the early intervention services and other services identified in the individualized family service plan
 - Coordinating the provision of early intervention services and other services (such as medical services for other than diagnostic and evaluation purposes) that the child needs or is being provided
 - Facilitating the timely delivery of available services
 - Continuously seeking the appropriate services and situations necessary to benefit the development of each child being served for the duration of the child's eligibility
 - Assuring that providers are available for services identified on the IFSP
 - Assisting families with accessing KCHIP/Medicaid, insurance or other financial resources

Administrative and Support Categories:

P. Program Level Community Collaboration

- Activities including child find, mass screening, sharing public awareness materials with physicians,
- Interagency meetings
- Provider meetings
- State level EI Task Forces & Committees
- DEIC and PIPSI meetings

T. Training

- Only those training activities related to providing services to young children and their families, such as orientation, workshops on intervention techniques, teleconferences, in-house training activities
- PSC Quarterly Meetings
- Quarterly PSC and POE Meetings

G. **General and Administrative Functions (Compensated Activity Only).** This category is not specific to early intervention and should be used for all generic administrative activity that is not distinguishable by program.

- Staff Meeting
- Impromptu time with other staff members versus professional consultation
- Training related to agency requirements such as OSHA, universal precautions, etc.

V. Vacation and Sick time that is compensated.

X. **Not Related to Time Survey Purpose**

- Care Coordination/Case Management for other populations.
- Other activities in which you participate that are not related to early intervention including intervention, service coordination, etc. to populations outside of early intervention.

Type of Activity:

1. Documentation

- The actual act of documenting activities including writing progress notes, completing required forms, etc.
- Report writing **is not included** under this type of activity

2. Preparation

- The time spent preparing for the referral, intake, evaluation and assessment, IFSP meeting, and intervention
- Completion of documentation is recorded as **documentation not preparation**

3. Collateral Meeting with Other Professionals

- Meeting with other professionals who are members of the child and family's team for the purposes of evaluation and assessment, IFSP development including transition activities, and intervention
- **If the activity includes direct contact with the family and/or child, then the type of activity is direct.**

4. Collateral Meeting with Community Contacts

- Meeting with community partners who are involved in supporting children and families including childcare providers, Community Based services, WIC representatives, and others, if they are not considered core members of the child's IFSP team, for the purposes of intake, evaluation and assessment, intervention planning, and transition activities
- Meeting with community partners who are involved in supporting children and families including interagency activities, and community collaboration
- **If the activity includes direct contact with the family and/or child, then the type of activity is direct.**

5. Direct (Requires Location)

- Face to face contact with the child and/or family. This **does not** include telephone contacts

6. Travel

- Travel to and from activities
- **If you are traveling, you cannot code any other type of activity.** For example, if two colleagues are traveling together to a child's home for intervention, and during the trip, they plan services for a child, both individuals **code the category as intervention and the type of activity as travel, not as preparation.**

7. Report Writing

- The actual writing and documenting of reports related to intake, evaluation and assessment, IFSP development including transition activities, and intervention

8. Telephone Contact

- Please use telephone contact only if the type of activity you are doing does not fit any other activity type.

9. No Show/ Cancellation/Attempted Home Visit

- Only use this code if a no show, cancellation or attempted home visit occurred and no other activity was done and it was the prominent activity for the time-period.

Section C- Location

Finally, the individual must identify the location of the work activities when coding activity 5 "direct".

- H.** If the location is the **home/community**, then designate the letter **H**.
- O.** If the location is an **office/center** (whether it is in the agency center, contracted provider's site- such as the hospital, or a community site used to provide services including child and family group services), then use an **O**.

Remember that location is only necessary when coding activity #5. This is for direct face-to-face contact with the child and/or family.

<i>Name:</i>				<i>Position</i>											
<i>Organization:</i>				<i>For the week ended:</i>											
<i>Telephone #:</i>				<i>Discipline:</i>											

	<i>Day 1</i>			<i>Day 2</i>			<i>Day 3</i>			<i>Day 4</i>			<i>Day 5</i>		
	<i>Cat.</i>	<i>Act.</i>	<i>Loc.</i>	<i>Cat.</i>	<i>Act.</i>	<i>Loc.</i>	<i>Cat.</i>	<i>Act.</i>	<i>Loc.</i>	<i>Cat.</i>	<i>Act.</i>	<i>Loc.</i>	<i>Cat.</i>	<i>Act.</i>	<i>Loc.</i>
:00															
:15															
:30															
:45															
:00															
:15															
:30															
:45															
:00															
:15															
:30															
:45															
:00															
:15															
:30															
:45															
:00															
:15															
:30															
:45															
:00															
:15															
:30															
:45															

Category (Required) R-Referrals/Pre-Intake I-Intake E-Evaluation, Eligibility Determination & Assessment F-IFSP Development & Meeting N-Intervention S-Service Coordination T-Training P-Program Level Community Collaboration G-General & Administrative Functions V-Vacation & Sick Time X-Not Related to Time Survey Purpose	Type of Activity 1. Documentation 2. Preparation 3. Collateral Mtg. w/ other Professionals 4. Collateral Mtg. w/ Community Contacts 5. Direct (Requires Location) 6. Travel 7. Report Writing 8. Telephone Contact 9. No Show/Cancellation/Attempted Home Visit	Location H-Home/Community O-Office/Center
---	---	--

Page 1

Please complete each day on page 2, including number of children served and signatures

Name:

	Day 1			Day 2			Day 3			Day 4			Day 5		
	Cat.	Act.	Loc.	Cat.	Act.	Loc.	Cat.	Act.	Loc.	Cat.	Act.	Loc.	Cat.	Act.	Loc.
:00															
:15															
:30															
:45															
:00															
:15															
:30															
:45															
:00															
:15															
:30															
:45															
:00															
:15															
:30															
:45															
:00															
:15															
:30															
:45															
:00															
:15															
:30															
:45															

In the blocks below, please indicate the number of children served in the home or community (HC) and total for each day.

Total					
H/C					

Category (Required)

R-Referrals/Pre-Intake

I-Intake

E-Evaluation, Eligibility Determination & Assessment

F-IFSP Development & Meeting

N-Intervention

S-Service Coordination

T-Training

P-Program Level Community Collaboration

G-General & Administrative Functions

V-Vacation & Sick Time

X-Not Related to Time Survey Purpose

Type of Activity

1. Documentation

2. Preparation

3. Collateral Mtg. w/ other Professionals

4. Collateral Mtg. w/ Community Contacts

5. Direct (Requires Location)

6. Travel

7. Report Writing

8. Telephone Contact

9. No Show/Cancellation/Attempted Home Visit

Location

H-Home/Community

O-Office/Center

Page 2

Signature:

Date:

Appendix B Cost Survey Instrument

August 21, 2001

Dear Kentucky First Steps Provider,

The Cabinet for Health Services is conducting a cost/salary and time survey as part of its effort to review reimbursement structures for the current fiscal year. **SOLUTIONS**, a consulting firm based in Maine, is under contract through the Cabinet to conduct these activities. The process, successfully used in other states, allows First Steps leadership to make informed decisions regarding appropriate reimbursement rates for the early intervention system. We recognize that this comprehensive approach places substantial activity at the provider level and truly appreciate your contribution to the process. This approach provides timely information to the Cabinet that ensures that the Cabinet makes informed decisions reflective of provider effort.

Your organization is one of only a limited number of providers randomly selected to participate in the cost survey portion of this activity. Your role is important in trying to assure well-balanced participation from the current providers of early intervention services.

Enclosed with this packet is:

- 1) a set of instructions (white),
- 2) the salary survey (yellow); and
- 3) cost survey worksheets (green).

The salary worksheets should take less than 4 hours to complete for an organization with less than 50 direct care staff. The cost survey could take as long as 16 hours to complete. **Please confirm, via fax or email receipt of this packet. My email address is Kgoldhamm@aol.com. The completed yellow packet should be mailed back to SOLUTIONS on or before 09/12/01. The green cost survey forms should be mailed back no later than 09/24/01.**

All information is to be mailed directly to **SOLUTIONS** as part of the commitment that all information will remain confidential. The detailed worksheets submitted will never be shared and all information will be presented in a de-identified format or in the aggregate. It is also important that the worksheets be completed or minimally reviewed by fiscal personnel. Many of the worksheets rely on allocated cost information that is typically known only by the fiscal department. Our intent is to understand the total cost of delivering early intervention services within your organization.

Appendix B-Cost Survey Instrument
08/21/2001
RE: Cost/Salary Survey

A video conference is scheduled for the afternoon of September 6, 2001 and will be an opportunity to review the packet of material included with this mailing and will provide an opportunity for questions and answers. I am also available by telephone if you have questions after the video conference session. You may contact my office at 207-623-8994 or e-mail me at Kgoldhamm@aol.com at any time.

Thank-you, in advance, for your contribution to this effort. Please don't hesitate to call if you have questions.

Sincerely,

Karleen R. Goldhammer

Enc.

Cost Survey Worksheets

Instruction

The worksheets contained in this package will be used with a select group of participants to assist with documenting the cost of delivering early intervention services.

Worksheets include:

- Worksheets 1 through 4 Salary information;
- Worksheet 5-Summary of Direct Personnel Costs;
- Worksheet 6-Contracted Direct Service Personnel;
- Worksheet 7-Volunteer Effort;
- Worksheet 8-Support Costs,
- Worksheet 9 Administrative
- Worksheet 10 Transportation
- Worksheet 11 Facilities & Capital Improvements
- Worksheet 12 Equipment
- Worksheet 13 Vehicles
- Worksheet 14 Miscellaneous

COLOR CODING: Instructions (WHITE), Salary Worksheets 1-4 (YELLOW) and Cost Worksheets 5-14 (GREEN)

I. Worksheets 1 through 4 - Salary Information: These worksheets will be used to establish the average salary and benefits level for personnel providing early intervention services. Please use the payroll register closest to 06/30/2001 as the base for the salary worksheets.

Worksheet 1: For information on employees who have been employed less than one year.

Worksheet 2: For information on employees who have been employed at least 1 year, but, less than 5.

Worksheet 3: For information on employees who have been employed at least five years, but less than 10.

Worksheet 4: For information on employees who have been employed ten years or more.

Appendix B-Cost Survey Instrument

of FTE's: Indicate the total number of "Full Time Equivalent (FTE) employees, based on the payroll closest to June 30, 2001, by each personnel type category and who are defined by the years of service criteria in each of the respective charts. Include information that pertains to all employees in the organization regardless of the percent of time that they devote to early intervention. This FTE factor will be used to establish an average salary by each personnel category. This will allow weighting of the salary information and provide more accurate averaging.

Salary: This should reflect the average annual salary or wage paid to employees, by category, and who meet the time constraint on the chart. The source of information should be actual information based on payroll records for the pay period closest to June 30, 2001. **For consistency, all information should be converted to an annualized base of 40 hours per week, 52 weeks per year.**

Example 1: Three service coordinators, employed 3 years with annual wages of \$31,000, \$32,000 and 29,500 and who work 40 hours per week, 52 weeks per year would be entered as \$30,833.

Example 2: Your organizations standard workweek is 35 hours and you have 2 speech therapists on staff with respective salaries of \$35,000 and 37,000. Conversion of the salaries to 40 hours: $35/40=.875$, next $\$35,000/.875=40,000$ and $\$37,000/.875=42,286$. The salary worksheet entry is \$41,143 and FTE is 1.75.

Example 3: Two child development specialists are employed, one full-time (40 * 52) at 29,500 annually and another part time (20 * 52) at \$15,000 annually. The salary amount is \$29,760 and the FTE is 1.5.

PLEASE NOTE THAT "FTE" INFORMATION IS BASED ON THE TOTAL NUMBER OF PERSONNEL IN THE CATEGORY TYPE EVEN THOUGH THE SALARY INFORMATION IS ANNUALIZED. This is illustrated in example three above.

Benefits as a percent % of salary: Consider employer's share FICA (social security), health, life, dental insurance, and retirement. The column is divided to reflect percentages for both full-time and part-time employees.

Annual Vacation Days: Please report the number of annual vacation days earned for full-time employees.

Annual Sick Time: Please report the number of annual sick days earned for full-time employees.

Number of Annual Holidays: Please report the number of annual holidays that are compensated for full-time employees.

Worksheets 5 through 13: Cost Information. This information should be for the reporting period 7/1/00 through 6/30/01, unless you traditionally use a different fiscal year.

If your organization is a provider that delivers "only" the types of services defined by early intervention, it is not necessary to break out cost unique to the early intervention population. This might apply to a speech therapy provider or a physical therapy provider that deliver those services exclusively, but, may serve a population other than the zero to three age group. If this applies to you, please disregard instructions that may limit costs to those unique to early intervention.

It does not apply to an organization that delivers a broad range of services other than those defined as early intervention services.

Please call if you have questions about which costs to include.

Worksheet 5-Summary of Direct Personnel Costs: Please report all salaries & benefits that relate to both direct and support staff. Direct staff, are those performing billable service. The types are detailed on the worksheet. Support staff may include clerical support, supervisory personnel and other related management positions and are reported in the aggregate. It should not include those salaries that are included in an administrative cost allocation plan. If personnel provide both direct and support services, like a supervisor who also has an active caseload, please estimate the percent of time spent doing each and split the salary accordingly between direct and support.

Benefits Costs are for both personnel categories.

Worksheet 6-Contracted Direct Service Personnel; Instructions are included on the worksheet.

Worksheet 7-Volunteer Effort; Instructions are included on the worksheet.

Worksheet 8-Support Costs: Use of the categories on this worksheet are optional. If you have an income and expense report that detail the categories differently that worksheet may be substituted.

Appendix B-Cost Survey Instrument

This worksheet also gives you the opportunity to detail private contributions that benefit the provision of services.

Worksheet 9 Administrative; Please include a description or a copy of your organizations cost allocation plan. This worksheet may include administrative salaries, benefits, rent, insurance, etc. that are more general to the organization as a whole and are not counted elsewhere.

Worksheet 10 Transportation; If you have information available that details this service differently, please call to discuss the information.

Worksheet 11 Facilities & Capital Improvements; Instructions are included on the worksheet.

Worksheet 12 Equipment; Instructions are included on the worksheet.

Worksheet 13 Vehicles; Instructions are included on the worksheet.

Appendix B-Cost Survey Instrument

Worksheet 1 - For personnel, employed for less than 1 year						
Complete Table Using Annualized Salary /Hourly Information using a 40 hour a week Base						
Personnel Type	# of FTE's	Salary	Benefits as a % of salary F/T P/T	Annual Vacation Days	Annual Sick Time	# of Annual Holidays
Assistive Technology Specialist						
Audiologist						
Developmental Assistant						
Developmental Associate						
Developmental Evaluator- Primary						
Developmental Interventionist						
Dietitian						
Family Therapist						
Nurse						
Nurse - Licensed Practical						
Nutritionist						
Occupational Therapist						
Occupational Therapist Assistant - Certified						
Orientation & Mobility Specialist						
Physician						
Physical Therapist						

Appendix B-Cost Survey Instrument

Worksheet 1 (Continued) - For personnel, employed for less than 1 year						
Complete Table Using Annualized Salary /Hourly Information using a 40 hour a week Base						
Personnel Type	# of FTE's	Salary	Benefits as a % of salary F/T P/T	Annual Vacation Days	Annual Sick Time	# of Annual Holidays
Physical Therapy Assistant						
Psychologist						
Psychologist-Certified/ Psychological Associate						
Respite Provider						
Service Coordinator - Initial						
Service Coordinator - Primary						
Social Worker						
Speech-Language Pathologist						
Speech-Language Pathologist Assistant						
Teacher - of the Visually Impaired						
Teacher - of the Deaf and Hard of Hearing						
Notes:						

Appendix B-Cost Survey Instrument

Worksheet 2 - For personnel employed at least 1 years but less than 5 years						
Complete Table Using Annualized Salary /Hourly Information using a 40 hour a week Base						
Personnel Type	# of FTE's	Salary	Benefits as a % of salary F/T P/T	Annual Vacation Days	Annual Sick Time	# of Annual Holidays
Assistive Technology Specialist						
Audiologist						
Developmental Assistant						
Developmental Associate						
Developmental Evaluator - Primary						
Developmental Interventionist						
Dietitian						
Family Therapist						
Nurse						
Nurse - Licensed Practical						
Nutritionist						
Occupational Therapist						
Occupational Therapist Assistant - Certified						
Orientation & Mobility Specialist						
Physician						
Physical Therapist						

Appendix B-Cost Survey Instrument

Worksheet 2 (Continued) - For personnel employed at least 1 years but less than 5 years						
Complete Table Using Annualized Salary /Hourly Information using a 40 hour a week Base						
Personnel Type	# of FTE's	Salary	Benefits as a % of salary F/T P/T	Annual Vacation Days	Annual Sick Time	# of Annual Holidays
Physical Therapy Assistant						
Psychologist						
Psychologist-Certified/ Psychological Associate						
Respite Provider						
Service Coordinator - Initial						
Service Coordinator - Primary						
Social Worker						
Speech-Language Pathologist						
Speech-Language Pathologist Assistant						
Teacher - of the Visually Impaired						
Teacher - of the Deaf and Hard of Hearing						
Notes:						

Appendix B-Cost Survey Instrument

Worksheet 3 - For personnel employed at least 5 years but less than 10 years
 Complete Table Using Annualized Salary /Hourly Information using a 40 hour a week Base

Personnel Type	# of FTE's	Salary	Benefits as a % of salary		Annual Vacation Days	Annual Sick Time	# of Annual Holidays
			F/T	P/T			
Assistive Technology Specialist							
Audiologist							
Developmental Assistant							
Developmental Associate							
Developmental Evaluator - Primary							
Developmental Interventionist							
Dietitian							
Family Therapist							
Nurse							
Nurse - Licensed Practical							
Nutritionist							
Occupational Therapist							
Occupational Therapist Assistant - Certified							
Orientation & Mobility Specialist							
Physician							
Physical Therapist							

Appendix B-Cost Survey Instrument

Worksheet 3 (Continued) - For personnel employed at least 5 years but less than 10 years

Complete Table Using Annualized Salary /Hourly Information using a 40 hour a week Base

Personnel Type	# of FTE's	Salary	Benefits as a % of salary F/T P/T	Annual Vacation Days	Annual Sick Time	# of Annual Holidays
Physical Therapy Assistant						
Psychologist						
Psychologist - Certified/ Psychological Associate						
Respite Provider						
Service Coordinator - Initial						
Service Coordinator - Primary						
Social Worker						
Speech-Language Pathologist						
Speech-Language Pathologist Assistant						
Teacher - of the Visually Impaired						
Teacher - of the Deaf and Hard of Hearing						
Notes:						

Appendix B-Cost Survey Instrument

Worksheet 4 - For personnel employed at least 10 years						
Complete Table Using Annualized Salary /Hourly Information using a 40 hour a week Base						
Personnel Type	# of FTE's	Salary	Benefits as a % of salary F/T P/T	Annual Vacation Days	Annual Sick Time	# of Annual Holidays
Assistive Technology Specialist						
Audiologist						
Developmental Assistant						
Developmental Associate						
Developmental Evaluator - Primary						
Developmental Interventionist						
Dietitian						
Family Therapist						
Nurse						
Nurse - Licensed Practical						
Nutritionist						
Occupational Therapist						
Occupational Therapist Assistant - Certified						
Orientation & Mobility Specialist						
Physician						
Physical Therapist						

Appendix B-Cost Survey Instrument

Worksheet 4 (Continued) - For personnel employed 10 years

Complete Table Using Annualized Salary /Hourly Information using a 40 hour a week Base

Personnel Type	# of FTE's	Salary	Benefits as a % of salary F/T P/T		Annual Vacation Days	Annual Sick Time	# of Annual Holidays
Physical Therapy Assistant							
Psychologist							
Psychologist - Certified/ Psychological Associate							
Respite Provider							
Service Coordinator - Initial							
Service Coordinator - Primary							
Social Worker							
Speech-Language Pathologist							
Speech-Language Pathologist Assistant							
Teacher - of the Visually Impaired							
Teacher - of the Deaf and Hard of Hearing							
Notes:							

Worksheet 5 - Summary of Direct Personnel Costs for the reporting period based on financial statement salary total

Personnel Type	Total Salary Costs	Comments
Assistive Technology Specialist		
Audiologist		
Developmental Assistant		
Developmental Associate		
Developmental Evaluator - Primary		
Developmental Interventionist		
Dietician		
Family Therapist		
Nurse		
Nurse - Licensed Practical		
Nutritionist		
Occupational Therapist		
Occupational Therapist Assistant - Certified		

Appendix B-Cost Survey Instrument

Orientation & Mobility Specialist		
Worksheet 5 (Continued) - Summary of Direct Personnel Costs for the reporting period based on financial statement salary total		
	Total Salary Costs	Comments
Physician		
Physical Therapist		
Physical Therapy Assistant		
Psychologist		
Psychologist - Certified/ Psychological Associate		
Respite Provider		
Service Coordinator - Initial		
Service Coordinator - Primary		
Social Worker		
Speech-Language Pathologist		
Speech-Language Pathologist Assistant		
Teacher - of the Visually Impaired		
Teacher - of the Deaf and Hard of Hearing		
Total Direct Salary Costs		
Total Support Staff Costs		
Total Benefit Costs for both Direct & Support Staff		
Total Personnel Costs		

Worksheet 6 - Contracted Services: This worksheet is used to indicate persons who are not regular direct service staff but who received compensation for services rendered. This worksheet should include contracted persons where no employment tax obligations exist.

- A. Type of Service: Indicate the type of service performed for your organization (e.g., physical therapy, occupational therapy, etc.).
- B. Personnel Type: Indicate the type of professional performing the service (e.g., physical therapist, speech language pathologist, etc.).
- C. Number of Service Days or Hours: Indicate the number of actual time the contractor was paid. Detail the information in either days or hours.
- D. Compensation Rate: Indicate the rate paid to the contractor. The information must correspond to the information provided in column B.
- E. Total Compensation: The total value of the contracted obligation
- F. Paid in Reporting Year. Indicate the amount paid for the reporting period.
- G. Basis for Payment: Indicate the basis for payment. For example: a flat hourly rate for all related time; a flat hourly rate for face-to-face time, per diem, episode reimbursement, etc.).

A Type of Service	B Personnel Type	C # of Service Days or Hours	D Compensatio n Rate	E Total Compensation	F Paid in Reporting Year	G Basis for Payment

Appendix B-Cost Survey Instrument

Worksheet 7 - Volunteer Effort: Indicate the type of service each volunteer (if any) performed for the organization (e.g., clerical work, transportation, assisting in the provision of service, etc.)

- A. Type of Service: Indicate the category of service performed for your organization (e.g., direct service; clerical support; support services, etc).
- B. Number of Service Days or Hours: Indicate the number of actual time the volunteer worked. Detail the information in either days or hours. This should reflect the total volunteer effort during the reporting period.
- C. Description of Service Performed:
- D. Required Paid Staff: Indicate whether or not this service would have been provided by a paid staff person if the volunteer was not available.
- E. Comments: For clarification if needed.

A Type of Service	B # of Service Days or Hours	C Description	D Requires Paid Staff	E Comments
			Yes / NO	
			Yes / NO	
			Yes / NO	
			Yes / NO	
			Yes / NO	
			Yes / NO	
			Yes / NO	

Worksheet 8-Support Costs Annual: This worksheet should list only those charges that are not included in administrative costs on worksheet 9. These costs support direct early intervention services. .

Description	Cost
<u>Materials and Supplies:</u> Indicate the total expenditure on materials and supplies (paper, pens, pencils, computer supplies, janitorial/custodial supplies and phone, etc.)	
<u>Utilities:</u> Indicate the total cost for all utilities. If some, or all, utility costs are included in direct or occupancy charges, indicate that and <u>do not</u> re-enter costs here.	
<u>Insurance:</u> Indicate the total annual expenditures on all insurance costs associated with early intervention services. Includes vehicles, building, etc.	
<u>Photocopying</u>	
<u>Training</u>	
<u>Travel Not related to Direct Child Service</u>	
<u>Other:</u>	
<u>Other:</u>	
<u>Other:</u>	
<u>Other:</u>	

Use additional sheets as necessary

Private Contributions

Describe here any in-kind contributions to your organization for early intervention services. You may indicate the estimated value if you have a basis for doing so.

Item Description

Estimated value

Worksheet 9 Administrative Cost: Please describe allocation of administrative expenses to Early Intervention Services. Costs should be included whether or not the grant is charged.

- A. If available please include a copy of the cost allocation plan used by your organization.

Total Administrative Costs charged for Early Intervention Services: \$ _____

Appendix B-Cost Survey Instrument
Worksheet 10 Transportation

CHILD TRANSPORTATION

A. Services Provided	
Indicate the number of buses/vans/cars/etc. used for transportation of children	
Indicate the total number of trips made for transportation services made during this reporting period.	
Indicate the average number of miles traveled on each trip	
Indicate the number of passengers transported during the reporting year.	

B Total Annual Operating Expenses	Description	Cost
	Fuel	
	Maintenance	
	Car Seats/Restraints	

C: Describe any other components of cost relating to transporting the child/family to services	Cost

NOTE: It is possible to compute the cost of transportation a number of ways. If the information request outlined above is difficult to obtain, please call Karleen Goldhammer at 207-623-8994 to review what is available. These costs should be decreasing due to increased service in the home and community.

Clinician Initials	Discipline	Avg. # of miles per month	Avg. # of off-site visits per month	Avg. # of "no-shows"	Annual miles reimbursed
Total Annual Miles reimbursed					

Additional Information:

1. Per mile reimbursement rate as of 07/01/2001 _____

Worksheet 11 Facilities & Capital Improvements: Describe the space used by your program. Indicate its purchase price or annual lease/rental cost. Also describe and indicate the cost of any renovations or other capital improvements to your facilities. Use information consistent with the organizations *audited financial statement*.

Description of buildings and land used by the program (include age of building)	Square footage used by the program	Purchase Price - OR	Annual Lease/ Rental Cost	Annual Depreciation Amount
Example: Center, 30 years old	4,700	\$92,770		

TOTAL COST _____

Worksheet 12 Equipment: On the table below, describe the equipment used for early intervention services, that have a value greater than \$500. For each item, indicate its purchase price or annual lease/rental cost. At the bottom of the page, provide an estimate of the value of the equipment worth less than \$500. Sum the cost of all equipment. Use information consistent with the organizations audited financial statements.

	Description	Purchase Price	Annual Lease/Rental
		-OR- \$685	Costs
Example: Example:	desk piano		\$120 / year

Total cost of all equipment with a value less than \$500: _____
Total cost of equipment with value greater than \$500: _____
Total cost of all equipment: _____

Worksheet 13 Vehicles: Describe (make, model, mileage, year) any vehicle owned or rented by the program. Indicate the purchase price or annual lease/rental cost. Use information consistent with the organizations audited financial statement.

Vehicle Description make/model/mileage/year	Purchase Price	Annual Lease Cost	Depreciation Amount (annual)
Example: Dodge/ Intrepid / 104,583 / 1998	\$16,986		
Example: Chev./Citation / 15,463 / 2000		\$3,860 / Year	

TOTAL COST _____

Appendix C - Schedule C Document

09/03/2001

«samename»

«provider_name»

«address_1»

«address_2»

«city», «state» «zip»

Dear «Salutation»;

The Cabinet for Health Services is conducting a cost/salary and time survey as part of its effort to review reimbursement structures for the current fiscal year. **SOLUTIONS**, a consulting firm based in Maine, is under contract through the Cabinet to conduct these activities. The process, successfully used in other states, allows First Steps leadership to make informed decisions regarding appropriate reimbursement rates for the early intervention system. We recognize that this comprehensive approach places substantial activity at the provider level and truly appreciate your contribution to the process.

You, as an independent provider, are one of only a limited number of randomly selected providers chosen to participate on this cost collection activity. The information needed for your participation must be based your completed Schedule C - Profit or Loss from Business of your 2000 income tax return that relates to the provision of early intervention services. You may choose to complete the attached form or simply copy your Schedule C and mail it not later than September 28, 2001.

THE INFORMATION THAT YOU PROVIDE WILL BE KEPT CONFIDENTIAL. All information is to be mailed directly to **SOLUTIONS** as part of the commitment that all information will remain confidential. The forms submitted will never be shared and all information will be presented in a de-identified format or in the aggregate.

Thank-you for your contributions as we proceed to develop maximum rates of reimbursement for early intervention services. Your prompt submission of either the Schedule C or the enclosed form is greatly appreciated. Please don't hesitate to call if you have questions.

Sincerely,

Karleen R. Goldhammer
SOLUTIONS

Appendix C-Schedule C Documents

First Steps - Independent Practitioner Survey
Based on Calendar Year 2000 Schedule C Tax Form

Name of Proprietor	
Business Name	
Did you start or acquire this business during 2000?	
Gross income	
Expenses	
	Advertising
	Car & Truck Expenses
	Commissions & Fees
	Depreciation and Section 179 Expenses
	Employee benefit programs
	Insurance (other than health)
	Interest
	Legal & professional services
	Office expense
	Pension and profit sharing plans
	Rent or lease
	Repairs & maintenance
	Supplies
	Taxes and licenses
	Travel
	Meals & Entertainment (Net of 50% reduction)
	Utilities
	Wages
	Other expenses
Expense Sub-total [Sum 8 to 26]	
Expenses for business use of your home	
Expense Total [Sum 27 & 28]	
Net Profit or (Loss) [Subtract line 29 from line 6]	

Comments:

Signed: _____ Date: _____

I certify that the information contained on this form is based on my tax return for calendar year 2000.

Appendix D - Corporate Capacity

Susan D. Mackey-Andrews
Disability Policy & Finance Consultant
20 Monument Square
Dover-Foxcroft, ME 04426
207-564-8245
sdmandrews@aol.com

Karleen R. Goldhammer
Financial and Information Systems Consultant
280 Riverside Drive
Augusta, ME 04330
207-623-8994
kgoldhamm@aol.com

CORPORATE CAPACITY

November 1992 to Present

Susan D. Mackey Andrews, *d/b/a SOLUTIONS*, has provided professional consulting services, including training and technical assistance in program and policy development in disability policy and program development since 1992. Primary clients include state government agencies, public and private, non-profit agencies serving families and children with disabilities focusing on program and policy development, data systems development and analysis, financing expansion and consolidation, training and quality assurance under the Individuals with Disabilities Education Act (IDEA).

Karleen R. Goldhammer is a partner in *SOLUTIONS* and has provided a variety of professional consulting services, including software design and development, training, forecasting and rate development activities since 1994.

Below is a summary of key consultation services conducted since 1994.

Consultant services provided to the National IDEA Infant and Toddler Coordinators' Association, related to the development and administration of a comprehensive series of survey activities conducted on the national level to focusing on federal regulations, system organization, financing, eligibility and other key issues related to administrative responsibilities at the state level for Part C, IDEA. Ongoing

Principal Investigator and lead consultant to Missouri Department of Elementary and Secondary Education in the comprehensive evaluation and redesign of that state's Part C early intervention system, First Steps.

August 1998 - January 2002

Lead consultant (Mackey Andrews) to the Department of Health, Puerto Rico in the design and development of a comprehensive Part C manual for their early intervention network providers and family members, and exploration/development of family cost participation policy for early intervention services.

September 1998 - January 2000

Lead developer (Goldhammer) for Part C information management system for the State of New Mexico, Department of Health (Ongoing)

Lead Consultant (Mackey Andrews) to the Department of Health, New Mexico for Part C system development activities including the development of a combined IFSP/IEP form with public policy and implementation recommendations. Ongoing

Principal consultants to the Department of Maternal and Child Health, State of West Virginia in the comprehensive evaluation of the Part C Early Intervention System including the implementation of a comprehensive, statewide Part C data system. (Ongoing)

Principal Investigator and lead consultant for financing activities, including policy development related to 0_3 early intervention services with an emphasis on the implementation of a centralized billing/reimbursement system for Family and Social Services Administration (FSSA), as lead agency for Part H, in the State of Indiana. (February 1994 through September 1997)

Major outcomes included:

1. implementation of the state's Central Reimbursement Office, including the conceptual and operational framework for 0-3 service reimbursement. This activity includes the development of policy recommendations, the design of a comprehensive evaluation component, practice and training materials and manuals.
2. successful financing initiatives with Title V, Maternal and Child Health and the state's Medicaid agency to expand available funds for services and administration.
3. refinement of a statewide IFSP form, and development of a Practice Manual and IFSP Handbook for implementation, the development of training modules in IFSP and service coordination, including consultation services regarding statewide training systems development. Products developed also included family-oriented materials on financial case management, procedural safeguards, early intervention service descriptors, and natural setting guidance materials.

4. expansion of service descriptors and service locations to reflect increased options for natural settings, including a financing approach to support these settings.
5. development and implementation of financial case management materials/documentation including training modules.
6. enhanced collaboration between the First Steps early intervention system and Children with Special Health Care Services, as the state's Title V entity, in serving eligible children ages 0-3 and in collaboration on the Central Reimbursement Office to include referral and information services, including eligibility services, for CSHCS and the States Medicaid, WIC and Food Stamps programs through the CRO.

Earlier consultant services (Mackey Andrews) to Indiana prior to the CRO activities included a major needs assessment focused on early intervention personnel and family members. This needs assessment resulted in the recommendation and subsequent re-design of the state's CSPD system to a Unified Training System (UTS) which brought all training institutions and resources under a more collaborative and interdisciplinary model.

SOLUTIONS, through Mackey Andrews, continues to provide ongoing technical assistance and consulting services to First Steps and CSHCS in the development of replication materials, data analysis and policy findings under a four-year SPRANS grant awarded to the state by Maternal and Child Health/Department of Health and Human Services. (Ongoing since January 1998)

Principal consultant (Goldhammer) in the review and development of early intervention service rates for reimbursement for the State of Indiana, First Steps System. (Ongoing)

Principal Consultant (Mackey Andrews) for the Part H activities to the Department of Public Health, the state lead agency within the State of Georgia Department of Human Resources. (1994-1998)

Activities under this contract over a four-year span have included:

1. program and policy development and training activities related to IFSP process and product development, service coordination, due process and procedural safeguards, and financial planning, due process and procedural safeguards, and contract management as well as other, general training activities.
2. design of the program monitoring component and materials for Georgia, which includes a review and substantial revision of their 0-3 Standards for Part H services
3. development of a formula allocation approach for local early intervention system and service activities, and assistance to the local Health Districts in fund management and tracking.

4. lead consultant role to the Management Information Systems staff in their development of an intra_systems data system, providing primary direction related to the early intervention portion of the software design and overall implementation strategies and activities.
5. strategic planning activities with state and local administrators in early intervention

Mackey-Andrews continues to provide consultation services to Georgia in the design of an effective financial case management system for implementation for their 0-3 early intervention system, to include policy recommendations and the redesign of their sliding fee scale. (Ongoing)

Principal consultant (Mackey Andrews) to the Department of Economic Security in the redesign of the state's Early Intervention Program in the State of Arizona, including consultation on financing and technology issues. (Spring and Summer 1998)

Principal investigator and lead consultant (Mackey Andrews) to the Florida Council on Developmental Disabilities in the development of a five year strategic plan to support the advancement of inclusive child care settings and services for children, ages 0-21, with disabilities. This activity involved working with a stakeholder group composed of family members, policy-level representatives from various departments reflecting health, mental retardation, education and social services as well as community and provider representatives. In addition to research for the WorkGroup, field-based forums with families and providers were conducted to obtain feedback on the recommendations and directions of the WorkGroup. (Complete August 1998)

Principal Investigator and lead consultants for financing activities, including policy development related to 0_3 early intervention services with an emphasis on the implementation of a centralized billing/reimbursement system for Illinois State Board of Education (ISBE), as lead agency for Part H, in the State of Illinois. Completed a three-year contract with this State, culminating in the design, development and implementation of a Central Billing Office (CBO) and a variety of related program, personnel, and training initiatives including early intervention rate setting activities, the development of a state-wide standardized IFSP, procedural materials, a monitoring and supervision system, and service coordination system including training and documentation systems. (1992-1994)

Consultant (Mackey Andrews) to the Commonwealth of Pennsylvania Part H program to assist with redesigning the early intervention system at the state and local levels, including methods for more effective cost projections, strategic planning, cost management, personnel

recruitment, and program/resource development strategies between state and local stakeholders. (Consulting services provided on an as-needed basis) (Ongoing)

Through direct consulting services as well as federal technical assistance activities, *SOLUTIONS* has worked with a total of 48 states and territories through various conferences, workshops, individual technical assistance activities and on-site services. Specific, targeted consultation services to 8 states formally, and 5 states informally, has resulted in an annual revenue gain in excess of \$45 million dollars to these 13 states.

Summary of Professional Strengths

- ▮ Group Facilitation and Training, including problem solving, mediation and interagency coordination
- ▮ Grant Development and Administration
- ▮ Personnel management including team building, employee accountability, supervision, strategic planning
- ▮ Development of pre-service and in-service training programs for all key stakeholders in early intervention
- ▮ Extensive knowledge of, and experience in, state and inter-departmental/inter-agency collaboration
- ▮ Fiscal planning and management
- ▮ Extensive knowledge of, and experience in, the developmental disabilities.
- ▮ Technical assistance in policy and program development, management and assessment
- ▮ Extensive knowledge in financing options and systems available for Part C and other disability populations including rate development activity
- ▮ Research design and planning, implementation and analyses
- ▮ Software systems design consultation, development, support and training

References are available upon request